

Investment Property (5-10 Units) DSCR ≥ 1.00					
Minimum Credit Score	Minimum DSCR	Max Loan Amount	Purchase	Rate and Term	Cash Out
700+	1.00	\$1,500,000	75%	70%	65%
		\$2,000,000	70%	65%	65%

PRODUCTS	
FIXED	ADJUSTABLE
30-Yr Fixed	5/6 SOFR ARM
	7/6 SOFR ARM
	Am: 30-Yr, 10 yr I/O
Maximum Loan Term of 30-Years	

Property Types
Residential 5 - 10 Units

LIMITS	
Criteria	Limit
Min DSCR	1.00
Min Credit Score	700
Min Loan Amount	\$400,000
Max Loan Amount	\$2,000,000

INCOME DOCUMENTATION

DSCR	<p>Debt Service Coverage Ratio (DSCR) Minimum: 1.00</p> <ul style="list-style-type: none"> The DSCR is calculated by taking the eligible gross monthly rents divided by the PITIA of the subject property. Interest-only loans may use the ITIA payment for DSCR calculations See full guidelines for requirements on Payments & Gross Rent calculations
Income	<ul style="list-style-type: none"> Use lower of Estimated market rent from 1007 or lease agreement, if leased Vacant Units(s) - Use 75% of market rents. Max 2 vacant units. Reduce qualifying rents by any management fee reflected on appraisal report Short term rental income not eligible.

Level of Experience	Restrictions / Overlays
<p>Investor Experience Level</p> <p>Experienced Investor:</p> <ul style="list-style-type: none"> Borrower must have history of owning and managing commercial or non-owner occupied residential real estate for at least 1 year in the last 3-years. <p>Inexperience Investor:</p> <ul style="list-style-type: none"> Borrowers not meeting the Experienced Investor Definition. <ul style="list-style-type: none"> Not Eligible 	<p>Wholesale Channel State Eligibility:</p> <ul style="list-style-type: none"> Nationwide - excluding Puerto Rico, Guam, and the US Virgin Islands. <p>Other State Restrictions</p> <ul style="list-style-type: none"> CT, FL, IL, NJ, and NY Properties - Max 70% LTV Purchase/Max 65% Refinance - Min 720 FICO <p>Interest Only</p> <ul style="list-style-type: none"> Not Allowed

BORROWER HISTORY	
Housing History	<ul style="list-style-type: none"> 0x30x12
Credit Event Seasoning	<p>Bankruptcy/Foreclosure/Short-Sale/Deed-In-Lieu/Modification:</p> <ul style="list-style-type: none"> >=36 Mo – No Reduction < 36 Mo – Not Eligible

GENERAL REQUIREMENTS	
Property Types	<ul style="list-style-type: none"> Residential 5 - 10 Units
Property Limitations	<ul style="list-style-type: none"> 2-Acres Max Rural Property not allowed.
Property Condition	<ul style="list-style-type: none"> No fair or poor ratings No environmental issues No health or safety issues No excessive deferred maintenance that could become a health or safety issue No structural deferred maintenance
Unleased Units	<p>Vacant Unit(s) – Use 75% of market rents.</p> <ul style="list-style-type: none"> 2 Vacant Units Maximum
Cash-Out Max	<ul style="list-style-type: none"> Max \$1,000,000 Cash-in-Hand
Appraisal(s)	<ul style="list-style-type: none"> Full interior inspection with photos required for all units. 5-8 Residential <ul style="list-style-type: none"> FNMA 1050, FHLMC 71A or similar for 5+ Residential Required Attachments for all Appraisal Reports: <ul style="list-style-type: none"> Rent Roll, Income & Expense Statement, Photos of Subject including Exterior/Interior & street, Aerial Photo, Sketch or floor plan of typical units, Map, Plot plan or survey, and Appraiser qualifications. Commercial BPO Review Product required for all loans <p>*Appraisal Transfers not allowed on 5-10 Unit Properties.</p>

UNDERWRITING	
Credit & Tradelines	<ul style="list-style-type: none"> Middle of 3 Scores, or Lower of 2 3 tradelines with 12+ mos. activity; or 2 tradelines with 24+ mos. (with activity in past 12 mos.) Mortgage debt must be current at application and through closing Delinquent non-mortgage accounts must be brought current at closing
Reserves	<ul style="list-style-type: none"> 6 months of PITIA Loan Amount > \$1.5M: 9 months of PITIA Loan Amount > \$2.5M: 12 months of PITIA Cash-out May Not be used to satisfy requirement
Prepayment Penalty	<ul style="list-style-type: none"> 5% fixed for 1 to 5-years Declining structures over 3 to 5-years: <ul style="list-style-type: none"> 5-Yr (5%/4%/3%/2%/1%) 4-Yr (5%/4%/3%/2%) 3-Yr (5%/4%/3%) No Prepayment Penalty
Assets	<p>Statements covering at least 60 days are required. Large Deposits must be sourced to be included as an eligible asset. See Asset section of policy for additional asset/large deposit requirements.</p>
Document Age	<p>Max Document Age: 120-days</p>
Gift Funds	<p>Not Eligible</p>
Exposure	<p>Maximum concentration to a single borrower is \$5,000,000</p>